



DEPARTMENT OF HEALTH & HUMAN SERVICES

Health Care Financing Administration

**Center for Medicaid and State Operations
Family and Children's Health Programs Group
Division of Integrated Health Systems
7500 Security Boulevard
Baltimore, MD 21244-1850**

Peg J. Dierkers, Ph.D.
Deputy Secretary for Medical Assistance Programs
Department of Public Welfare
P.O. Box 2675
Harrisburg, Pennsylvania 17105

Dear Dr. Dierkers:

This letter is to inform you that the Health Care Financing Administration is approving Pennsylvania's request for renewal of the Lancaster County Health Plan (LCHP) waiver authorized under Section 1915(b) of the Social Security Act (the Act). This approval provides for the waiver of the following Sections of Title XIX of the Act: 1902(a)(1) (Statewideness), Section 1902(a)(10)(B) (Comparability of Services), and Section 1902(a)(23) (Freedom of Choice).

Approval of this waiver is in accordance with the requirement that the project will be cost effective, will not substantially impair access to care and services of adequate quality, and will not restrict emergency services. This approval is for the period April 19, 2001 through April 18, 2003.

According to your renewal request, the transition to full implementation of the HealthChoices waiver in Lancaster County will occur during this time period. Since the HealthChoices waiver expires in December 2001, and since the Lancaster beneficiaries will be included shortly thereafter, the State should also document in the HealthChoices renewal request, the Lancaster County beneficiaries access to quality services under the HealthChoices waiver and how the State will monitor continuity of care during this transition.

I wish you success in the continued operation of this waiver program and the expansion of the HealthChoices waiver into Lancaster County.

Sincerely,

Mike Fiore
Director